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Implementation of and follow-up to major United Nations conferences and summits: follow-up to the International Conference on Financing for Development

Enhancing collaboration and cooperation between the United Nations and the Bretton Woods institutions

Note by the Secretariat*

Summary

Pursuant to Economic and Social Council decision 2009/258, the present note provides an overview of the implementation of the agreements between the United Nations and the Bretton Woods institutions, focusing in particular on innovative institutional arrangements for enhancing collaboration between them in the economic, social and related fields. Special attention is given to the engagement of the Bretton Woods institutions, at the intergovernmental and staff levels, in the financing for development process to promote coherence, coordination and cooperation. It also provides recent examples of collaboration at the operational level in support of global efforts to achieve the Millennium Development Goals and to address new challenges and emerging issues, including those related to the global financial and economic crisis.

* The present note was prepared in collaboration with the staff of the World Bank and the International Monetary Fund. However, the responsibility for its content is solely that of the United Nations Secretariat. The submission of the note for processing was delayed owing to the need to hold consultations with the staff of the Bretton Woods institutions.

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I. Introduction

1. In its decision 2009/258 of 31 July 2009, entitled "Follow-up to paragraph 56 of the outcome of the Conference on the World Financial and Economic Crisis and Its Impact on Development", the Economic and Social Council requested the Secretariat to provide a report on the implementation of the agreements between the United Nations and the Bretton Woods institutions in collaboration with those institutions, focusing in particular on enhancing collaboration and cooperation between the United Nations and the Bretton Woods institutions, as well as on the opportunities for contributing to advancing their respective mandates. The present note has been prepared in response to that request.

II. Historical background

2. By its resolution 124 (II) of 15 November 1947, the General Assembly approved the relationship agreements (A/349) between the United Nations and the International Bank for Reconstruction and Development and between the United Nations and the International Monetary Fund (IMF) that came into force on the same date. Full texts of both agreements are available from http://www.un.org/esa/ffd/A-349_enh.pdf.

3. By the terms of those agreements, representatives of the United Nations are entitled to attend and to participate without vote in the meetings of the Boards of Governors of the World Bank and IMF. Reciprocally, representatives of the World Bank and IMF are entitled to attend as observers plenary meetings of the General Assembly and to participate without vote in meetings of the committees of the Assembly, the Economic and Social Council and their subsidiary bodies. The parties may propose agenda items, consult together and exchange views on matters of mutual interest and make formal recommendations to each other, following reasonable prior consultation. The parties may also arrange for the exchange of current information and publications and may furnish special reports and studies upon request. Furthermore, they also agree to cooperate in the collection, analysis, publication, standardization and dissemination of statistical information. Separate provisions govern the relationship between the Bretton Woods institutions and the Security Council, the Trusteeship Council and the International Court of Justice.

4. The United Nations and the Bretton Woods institutions may also consult on personnel and other administrative matters of mutual interest for efficiency gains. On this basis, the Bretton Woods institutions participate in the United Nations System Chief Executives Board for Coordination (CEB) and its subsidiary bodies, such as the High-level Committee on Programmes and the High-level Committee on Management. The agreements also provide for the establishment of liaison mechanisms at the central, regional and country levels, as appropriate. The Secretary-General and the heads of the Bretton Woods institutions are authorized to make such supplementary arrangements as they deem necessary or proper to carry fully into effect the purposes of the agreements.

5. The agreements designate the World Bank and IMF as specialized agencies established by agreements among their member Governments and having wide responsibilities, as defined in their Articles of Agreement, in the economic and related fields within the meaning of Article 57 of the Charter of the United Nations.

By the nature of their international responsibilities and the terms of their Articles of Agreement, the World Bank and IMF are, and are required to function as, independent international organizations.

III. Restructuring and revitalization of the United Nations in the economic, social and related fields

6. In the 1990s, with the waning of ideological confrontations, the rise of globalization and the deepening of interdependence among nations, the General Assembly adopted a series of resolutions on the restructuring and revitalization of the United Nations in the economic, social and related fields. Those measures featured, inter alia, the establishment of new forums, within the General Assembly and the Economic and Social Council, for a systematic and in-depth discussion of development issues and the launch of innovative modalities for the greater engagement of all relevant stakeholders, including the Bretton Woods institutions, therein. Additional steps were also taken to enhance collaboration in the context of operational activities of the United Nations system for development.

High-level policy dialogue of the Economic and Social Council with international financial and trade institutions

7. At its forty-fifth session, the General Assembly decided, inter alia, that the high-level segment of the annual substantive sessions of the Economic and Social Council would include a one-day policy dialogue and discussion on important developments in the world economy and international economic cooperation (see resolution 45/264, annex). From 1992 to date, the heads of multilateral financial and trade institutions of the United Nations system, including the Bretton Woods institutions, have been invited to participate actively in that dialogue and discussion on matters of mutual interest, with a view to building areas of understanding. Pursuant to General Assembly resolution 48/162 of 20 December 1993, the institutions were invited to furnish relevant special reports and studies on selected themes, within their respective mandates and areas of expertise, as well as on important developments in the world economy and in international economic cooperation, in accordance with the agreements signed between them and the United Nations.

8. By its resolution 50/227 of 24 May 1996, the General Assembly adopted further measures, which included the following provision: "In order to better focus the policy dialogue, the possibility of having joint reports, prepared by the secretariats of the United Nations, the United Nations Conference on Trade and Development (UNCTAD), the Bretton Woods institutions and the World Trade Organization, should be explored." In response, the Department of Economic and Social Affairs of the United Nations Secretariat and UNCTAD brought together their monitoring and analytical work on trends in the global economy, leading to a joint annual publication, *World Economic Situation and Prospects*, issued in 1996-1998. Since 1999, the five regional commissions of the United Nations have also become co-authors of the publication, which serves as a common point of reference for deliberations on economic, social and related matters in various United Nations entities. However, the potential for recurrent joint publications of the United

Nations/Bretton Woods institutions of a similar scope and importance has not materialized to date.

Origin of the special high-level meeting of the Economic and Social Council with the Bretton Woods institutions and the World Trade Organization

9. In the same resolution, the General Assembly requested the Economic and Social Council to schedule periodically a high-level special meeting at a time proximate to the semi-annual meetings of the Bretton Woods institutions with a view to benefiting, to the extent possible, from high-level ministerial participation and the participation of heads of financial and trade institutions and other relevant organizations. It also requested that a theme and agenda for the meeting should be prepared collaboratively, sufficiently in advance to permit preparation and consultations, and that the financial and trade institutions should be invited, as and when appropriate, to prepare reports and studies to enhance the discussions. The first special high-level meeting of the Council with the Bretton Woods institutions took place in April 1998 against the backdrop of the Asian financial crisis, and the discussion focused on how to maintain the long-term development perspective amid economic and financial upheavals. Since then, the Council and international financial and trade institutions have met on an annual basis.

Agenda for Development

10. In the comprehensive policy document, Agenda for Development (see resolution 51/240, annex), the General Assembly recognized the need for increased interaction and cooperation between the United Nations and multilateral development institutions, including the Bretton Woods institutions, to respond to the challenges of development. The strengthening of collaboration between the United Nations and the Bretton Woods institutions requires an integrated approach, encompassing a closer policy dialogue at the intergovernmental level on relevant areas of international development, taking into account their respective competencies. In that regard, the General Assembly and the Economic and Social Council were called upon to play a more active role in global economic matters, including deliberations on macroeconomic and development policy issues, with the participation of the Bretton Woods institutions.

11. At the field level, the United Nations development system and the Bretton Woods institutions acting within their respective mandates, were invited to cooperate more closely, including in the areas of capacity-building and field operations, in accordance with priorities determined by recipient countries. In particular, they were requested to expand, as appropriate, their collaboration in co-financing of projects, to promote policy coherence and consistency in support of country development strategies, and to enhance the complementarity of their financial and technical assistance. In post-emergency situations, coordination between the United Nations and the Bretton Woods institutions was deemed essential to support the transition from relief to rehabilitation, reconstruction and long-term development.

High-level dialogue on strengthening international economic cooperation for development through partnership

12. In its resolution 48/165 of 21 December 1993, the General Assembly called for the renewal of a dialogue on strengthening international cooperation for development through partnership, to be conducted in response to the imperatives of mutual interests and benefits, genuine interdependence, shared responsibilities and the partnership for sustainable development. The Assembly considered further the concept of such an event at its forty-ninth to fifty-second sessions (see resolutions 49/95, 50/122, 51/174 and 52/186). As a result, the first high-level dialogue on the theme of the social and economic impact of globalization and interdependence and their policy implications was held on 17 and 18 September 1998 (see A/53/529). Pursuant to General Assembly resolution 54/213, the theme of the second dialogue, held on 20 and 21 September 2001, was "Responding to globalization: facilitating the integration of developing countries into the world economy in the twenty-first century". The two round tables-cum-informal panels focused on: (a) generating new public and private financial resources to complement development efforts; and (b) facilitating access to information and communication technology for developing countries (see A/56/482).

13. Preparations for the dialogue were undertaken by the Secretary-General in close cooperation with Governments, all relevant parts of the United Nations system, including the Bretton Woods institutions, relevant intergovernmental organizations and other development actors. The format of the event was a unique innovation in the work of the General Assembly. Apart from formal proceedings, the dialogue included a series of informal panels and round tables that were intended to promote inclusive and interactive discussions, with the participation of all relevant stakeholders. Since then, this innovative format of combining plenary debate with interactive round tables and informal panels has become a prominent feature of major United Nations events.

14. Another outcome of the dialogue was the decision by the General Assembly to include in its agenda, starting from its fifty-fourth session, of the item entitled "Globalization and interdependence" (see resolution 53/169). Since then, the item has provided an opportunity for intergovernmental discussion on the role of the United Nations in promoting international cooperation in order to optimize the benefits and limit the negative effects of globalization and interdependence.

IV. Financing for development process

15. A unique, distinctive feature of the financing for development process is its inclusive character. The active engagement of a broad range of stakeholders from the public and private sectors is a key factor. The Bretton Woods institutions and the World Trade Organization have a special role to play as the major institutional stakeholders. In the process, the United Nations and the Bretton Woods institutions have shown an unprecedented collaborative effort during the preparatory phase, the Monterrey Conference and its follow-up. At the intergovernmental and staff-support levels, the modalities of engagement of the Bretton Woods institutions have gone beyond the normal practice of their participation in the work of the General Assembly and the Economic and Social Council.

Preparations for the International Conference on Financing for Development

16. By its resolution 54/196 of 22 December 1999, the General Assembly decided to convene a high-level intergovernmental event of political decision makers, at least at the ministerial level, on financing for development, and to establish an intergovernmental Preparatory Committee, open to all States, to carry out the preparations for the event. By the same resolution, the Assembly initiated the process of consultations with all relevant stakeholders, in particular the World Bank, IMF and the World Trade Organization, on the potential modalities for their participation in both the substantive preparatory process and the high-level event.

17. In March 2000, the 15-member Bureau of the Preparatory Committee undertook a series of consultations with the executive boards of the Bretton Woods institutions on the modalities of cooperation at the intergovernmental level. In its report on the preparations for the substantive preparatory process and the high-level international event (A/AC.257/6), the Bureau recognized differences in the modes of operation of the United Nations, the Bretton Woods institutions and the World Trade Organization and the legal and organizational differences between each of the institutions, as well as vis-à-vis the United Nations. For that reason, in paragraph 6 of its report, the Bureau suggested that separate modalities for the participation of the governing bodies of the Bretton Woods institutions and of the World Trade Organization in the financing for development process might be warranted. However, the Bureau recommended that all three institutions be welcomed to participate in the meetings of the Preparatory Committee on the same basis as the Bretton Woods institutions regularly participate in meetings of the relevant committees of the General Assembly. Moreover, on the basis of communications between the management of the Bretton Woods institutions and the United Nations Secretariat, the Bureau looked forward to technical and substantive support to the financing for development process from staff of each institution (see A/AC.257/6, para. 10).

18. In May 2000, the Preparatory Committee approved the three-tier consultative intergovernmental mechanism that had been proposed by the Board of Executive Directors of the World Bank at its meeting with the Bureau of the Preparatory Committee (see A/AC.257/6, para. 7).

19. The United Nations Secretariat sought to engage the Bretton Woods institutions in preparatory activities on a number of levels. In response, the World Bank and IMF designated senior officials who collaborated with the financing for development coordinating secretariat on a regular basis. In particular, staff of the Bretton Woods institutions were involved in providing substantive support to the Preparatory Committee through participation in its deliberations and in inter-secretariat issue-oriented working groups, in preparation of regional consultations, organized in cooperation with the regional commissions of the United Nations and regional development banks, as well as hearings of civil society and the business sector (see A/55/315). In his substantive policy report to the Preparatory Committee dated 18 December 2000 (A/AC.257/12), the Secretary-General broke new ground in recommending direct collaboration between the United Nations Secretariat and staff of the Bretton Woods institutions and the World Trade Organization, as well as the involvement of other stakeholders, both within and outside the United Nations system. By providing joint analysis and action-oriented recommendations in the main areas of financing for development, the report intended to contribute to

intergovernmental deliberations on those issues and inform the preparation of the draft outcome document.

20. By its resolution 55/245 B, the General Assembly decided that the International Conference on Financing for Development would be held in Monterrey, Mexico, from 18 to 22 March 2002, encouraged Governments, as well as all relevant stakeholders, including the Bretton Woods institutions, to continue considering concrete initiatives in support of the Conference, within its substantive agenda, and adopted the basic format and inclusive participatory modalities of the Conference.

21. In October 2001, the Preparatory Committee finalized its detailed recommendations on the organization of the Conference, including its format, provisional rules of procedure and modalities of participation by all relevant stakeholders.[1] It was proposed, in particular, that the heads of the World Bank, IMF and the World Trade Organization be invited to make introductory statements, following those by the President of the General Assembly and the Secretary-General, at the opening session of the summit segment of the Conference. In addition, it was proposed that the heads of the three major institutional stakeholders be also invited to co-chair the summit round tables. Accordingly, James D. Wolfensohn, President of the World Bank, Horst Köhler, Managing Director of IMF, and Michael Moore, Director-General of the World Trade Organization, addressed the summit on 21 March 2002. On the same day, they also each co-chaired a summit round table on the theme "Looking ahead".

Monterrey Consensus

22. By their adoption of the Monterrey Consensus of the International Conference on Financing for Development,[2] world leaders recognized that building a global alliance for development required an unremitting effort. Hence, they committed themselves to staying engaged, to ensuring proper follow-up to the implementation of the agreements and commitments reached at Monterrey and to continuing to build bridges between development, finance, and trade organizations and initiatives, within the framework of the holistic agenda of the Conference. Building on the successful experience of the Conference and its preparatory process, they also agreed to strengthen and make fuller use of the General Assembly and the Economic and Social Council, as well as the relevant intergovernmental/governing bodies of other institutional stakeholders, for the purposes of conference follow-up and coordination.[3]

23. The Conference requested the Secretary-General to provide — with collaboration from the secretariats of the major institutional stakeholders — sustained follow-up within the United Nations system to the agreements and commitments reached at the Conference and to ensure effective secretariat support. That support should build on the innovative and participatory modalities and related coordination arrangements utilized in the preparation of the Conference. The

[1] See *Official Records of the General Assembly, Fifty-sixth Session, Supplement No. 28* (A/56/28 and Corr.1).

[2] *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7) chap. I, resolution 1, annex.

[3] Ibid., para. 69 (a)-(c).

Secretary-General was also requested to submit an annual report on those follow-up efforts. In response, the United Nations Secretariat prepares, in consultation and collaboration with the staff of the Bretton Woods institutions and the World Trade Organization, the annual report for the General Assembly on the follow-up to and implementation of the outcome of the International Conference on Financing for Development.

Special high-level meeting of the Economic and Social Council with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development

24. Shortly after the International Conference on Financing for Development in 2002, the Economic and Social Council held its special high-level meeting with the Bretton Woods institutions and the World Trade Organization, immediately following the spring meetings of the Bretton Woods institutions in Washington, D.C. The theme of the meeting was "Dialogue on the outcome of the International Conference on Financing for Development and of the meetings of the Development Committee and International Monetary and Financial Committee". The President of the Council and the Secretary-General addressed the meeting. Opening statements were made by Trevor Manuel, Chairperson of the joint World Bank/IMF Development Committee and Minister of Finance of South Africa; Eduardo Aninat, Deputy Managing Director of IMF, speaking on behalf of the Chairman of the International Monetary and Financial Committee of IMF; and Eduardo Sojo Garza-Aldape, Head of the Presidency for Public Policies, Mexico. The outcome of the meeting was the President's summary of the one-day discussion.

25. In subsequent years, the spring meeting of the Economic and Social Council with the international financial and trade institutions became a major forum to promote "coherence, coordination and cooperation in the context of the implementation of the Monterrey Consensus" and related outcomes. To that end, the main objective was to facilitate a truly dynamic, interactive and inclusive dialogue. The structure of the meeting included an opening plenary with a set of brief presentations by the chairs of the relevant intergovernmental bodies, followed by three or four simultaneous round tables on specific topics, within the holistic integrated approach of the Monterrey Consensus. The afternoon session normally featured reports by the co-chairs of the round tables held in the morning, followed by an informal thematic debate of the whole on those or other selected topics. The meeting concluded with a statement by the President of the Council outlining highlights of the discussion. A more comprehensive summary was subsequently issued as a document of the United Nations.

26. In preparation of the meeting, the President of the Economic and Social Council, with the support of the Bureau of the Preparatory Committee, held consultations with the executive boards of the Bretton Woods institutions and the relevant intergovernmental representatives of the World Trade Organization and UNCTAD. The purpose of the consultations was to discuss the substantive focus, appropriate format and innovative modalities, with a view to ensuring high-level participation and enhancing the impact of the meeting. During the period from 2003 to 2008, the topics selected for round-table discussions covered all the main substantive areas of the Monterrey Consensus, as well as new challenges and emerging issues, such as supporting the development efforts of middle-income developing countries (2006 and 2008) and aid effectiveness and innovative finance

(2007 and 2008). In the same vein, the meeting in 2008 featured, in addition to three simultaneous round tables in the morning, two thematic debates in the afternoon on: (a) building and sustaining solid financial markets; and (b) financing of climate change mitigation and adaptation. In a further innovation, the meeting in 2009 was organized around two thematic debates of the whole on: (a) addressing the impact of the global financial and economic crisis on development, including issues related to the international financial and monetary architecture and global governance structures; and (b) strengthening the intergovernmental inclusive process to carry out the financing for development follow-up.

27. Over the years, participation by the Bretton Woods institutions in the spring meeting with the Economic and Social Council varied, both at the intergovernmental and staff levels. The Chair of the Development Committee attended the meetings in 2003 and 2005 (Mr. Manuel) and in 2006 (Alberto Carrasquilla). In 2004, the acting Chair, Ngozi Okonjo-Iweala, represented the Committee. In subsequent years, it was the deputy Chair or his representative. For the International Monetary and Financial Committee, the Deputy Managing Director of IMF was designated to represent the Committee from 2003 to 2008. The meeting in 2009 was attended by the deputy of the Chairperson of the International Monetary and Financial Committee. The number of executive directors and senior managers of the World Bank and the International Monetary Fund engaged in the meeting varied over the years, reaching its peak in the period from 2004 to 2006.

High-level Dialogue of the General Assembly on Financing for Development

28. By its resolution 57/250, the General Assembly decided to reconstitute its high-level dialogue on strengthening international cooperation for development through partnership as the high-level dialogue on financing for development so that it became the intergovernmental focal point for the general follow-up to the Monterrey Conference. The Assembly also decided to hold the dialogue biennially at the ministerial level. It also invited the President of the World Bank, the Managing Director of IMF and the Director-General of the World Trade Organization, along with the heads of other relevant organizations, to participate actively in the dialogue.

29. Accordingly, the General Assembly held three high-level dialogues on financing for development on the overall theme "The Monterrey Consensus: status of implementation and tasks ahead", on 29 and 30 October 2003, on 27 and 28 June 2005 and from 23 to 25 October 2007. The format of the dialogues included a combination of plenary and informal meetings and interactive multi-stakeholder round tables. Based on the Monterrey modalities, the heads of the Bretton Woods institutions and the World Trade Organization were invited to speak at the opening plenary meeting, following statements by the President of the General Assembly and the Secretary-General. Other high-level officials of the World Bank and IMF were invited to co-chair ministerial round tables.

30. At the high-level dialogue in 2003, for the first time ever, the President of the World Bank, James D. Wolfensohn, and the Managing Director of IMF, Horst Köhler, addressed the General Assembly in plenary session. The Bank's Vice President for External and United Nations Affairs, Ian Goldin, co-chaired round table 3 on the theme "Coherence and consistency of the international monetary, financial and trading systems in support of development". Mark Allen, Director,

Policy Development and Review Department, IMF, co-chaired round table 8 on the theme "The link between the progress in the implementation of the agreements and commitments reached at the International Conference on Financing for Development and the promotion of sustainable development, sustained economic growth and the eradication of poverty with a view to achieving an equitable global economic system".

31. In 2005, François Bourguignon, Senior Vice President and Head of the World Bank delegation, and Agustin Carstens Carstens, Deputy Managing Director of IMF, addressed the plenary. In 2007, the World Bank delegation was led by Danny Leipziger, Vice President and Head of Network, Poverty Reduction and Economic Management, who made a statement in the plenary. Carlos Braga, Senior Adviser, World Bank, led the discussion in round table 1 on the theme "Mobilizing domestic financial resources for development".

United Nations participation in the spring and annual meetings of the Bretton Woods institutions

32. Twice a year, the Secretary-General receives an invitation for a representative of the United Nations to attend as an observer the annual and spring meetings of the Bretton Woods institutions. The Secretary-General designates a senior official of the Secretariat — the Under-Secretary-General for Economic and Social Affairs or the Administrator of the United Nations Development Programme (UNDP) — to represent the United Nations at those meetings. The spring meetings include the ministerial meetings of the Group of 24 (G77 Chapter in Washington, D.C.), the International Monetary and Financial Committee of the IMF and the joint World Bank/IMF Development Committee. The annual meetings also include the meetings of the Boards of Governors of IMF and the World Bank.

33. In the run-up to the Monterrey Conference, Nitin Desai, then Under-Secretary-General for Economic and Social Affairs, was invited to brief the IMF Development Committee on the preparatory process. Since then, it has become the practice that the Under-Secretary-General for Economic and Social Affairs (Mr. Desai and his successor, José Antonio Ocampo) or, on his behalf, the Assistant Secretary-General for Economic Development (Jomo Kwame Sundaram) or the Administrator of UNDP (Kemal Dervis) delivers a short oral statement to the Development Committee. In addition, written statements providing a United Nations perspective on relevant agenda items are circulated in both the Development Committee and the International Monetary and Financial Committee.

Doha Review Conference

34. By its resolution 62/187, the General Assembly adopted the organizational modalities of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus (held in Doha from 29 November to 2 December 2008). In that context, the Assembly reaffirmed the special role that the international financial and trade institutions, in particular the major institutional stakeholders involved in the financing for development process, were invited to play in all aspects of the Review Conference, including their active involvement in its preparatory work, following the experience of the Monterrey Conference. Accordingly, the heads of the Bretton Woods institutions were invited to participate in the Doha Conference, in accordance with the Monterrey modalities.

35. The Conference held a general exchange of views in its plenary meetings on reviewing the implementation of the Monterrey Consensus. At its 3rd meeting, on 30 November 2008, the Conference heard a statement by Justin Yifu Lin, Chief Economist and Senior Vice President of the World Bank. At its 5th meeting, on 1 December 2008, a statement was made by Murilo Portugal, Deputy Managing Director of IMF. Mr. Lin also served as moderator for round table 1 on the theme "Mobilizing domestic financial resources for development", while Mr. Portugal moderated round table 5 on the theme "External debt". Hany Dimian, Deputy Chair of the International Monetary and Financial Committee and Deputy Minister of Finance of Egypt, was a panellist in round table 6, which covered systemic issues.

36. The Doha Declaration on Financing for Development (General Assembly resolution 63/239, annex) called for strengthening cooperation between the United Nations, the Bretton Woods institutions and the World Trade Organization, as well as for strengthening the coordination of the United Nations system and all other multilateral institutions in implementing commitments in financing for development, as follows:

(a) "We resolve to strengthen the coordination of the United Nations system and all other multilateral financial, trade and development institutions to support economic growth, poverty eradication and sustainable development worldwide. Greater cooperation between the United Nations, the Bretton Woods institutions and the World Trade Organization is needed, based on a clear understanding and respect for their respective mandates and governance structures" (para. 69);

(b) "Welcoming the ongoing international discussions on global economic governance structures, we acknowledge the need to ensure that all countries, including low-income countries, are able to effectively participate in this process. This debate should review the international financial and monetary architecture and global economic governance structures in order to ensure a more effective and coordinated management of global issues. Such debate should associate the United Nations, the World Bank, IMF and the World Trade Organization, should involve regional financial institutions and other relevant bodies and should take place in the context of the current initiatives aimed at improving the inclusiveness, legitimacy and effectiveness of the global economic governance structures" (para. 78);

(c) "... We reaffirm the need to further intensify the engagement of all stakeholders, including the United Nations system, the World Bank, IMF and the World Trade Organization in the follow-up and implementation of the commitments made in Monterrey and reiterated here in Doha" (para. 87);

(d) "We acknowledge the need for a strengthened and more effective intergovernmental inclusive process to carry out the financing for development follow-up ... We request the Economic and Social Council to consider this matter during its spring meeting and at its substantive session of 2009, in consultation with all relevant stakeholders, with a view to making appropriate and timely recommendations for final action by the General Assembly ... in its sixty-fourth session" (para. 89).

Strengthening the financing for development follow-up process

37. In response to paragraph 89 of the Doha Declaration, the Economic and Social Council, in its resolution 2009/30 of 31 July 2009, recommended to the General

Assembly a set of modalities for a strengthened and more effective intergovernmental process to carry out the financing for development follow-up, including the following points:

(a) The special high-level meeting of the Economic and Social Council with the international financial and trade institutions could last for up to two days and should be timed to be held at least five weeks before the spring meetings of the Bretton Woods institutions. The specific dates and topics of discussion would be determined by the President of the Council, in consultation with the participants; the President would be encouraged to work with representatives of the Bretton Woods institutions, the World Trade Organization and UNCTAD to improve the format of the meeting; there would be increased interaction and coordination at the staff level with the institutions involved;

(b) The Economic and Social Council should give more prominence to the consideration of financing for development in the work of its annual substantive session and allot up to two full days to this agenda item; a substantive resolution should be adopted;

(c) The General Assembly should give more prominence to its annual agenda item on follow-up to the Monterrey Consensus and the Doha Declaration on Financing for Development and may wish to reaffirm the importance of its biennial high-level dialogues on financing for development as the intergovernmental focal point for the general follow-up to the 2002 International Conference on Financing for Development and the 2008 Review Conference.

V. Achieving the Millennium Development Goals and addressing new and emerging issues

38. In the United Nations Millennium Declaration, world leaders resolved to ensure greater policy coherence and better cooperation between the United Nations, its agencies, the Bretton Woods institutions and the World Trade Organization, as well as other multilateral bodies, with a view to achieving a fully coordinated approach to the problems of peace and development (see resolution 55/2, para. 30). The 2005 World Summit Outcome reaffirmed the need to strengthen coordination within the United Nations system in close cooperation with all other multilateral financial, trade and development institutions in order to support sustained economic growth, poverty eradication and sustainable development (see resolution 60/1, para. 38).

Global Monitoring Report

39. In 2004, the World Bank and IMF established a joint Global Monitoring Report series, focusing on the implementation of the policies and actions necessary for achieving the Millennium Development Goals and related development outcomes. The report, which serves as a framework for accountability in global development policy, is a major aspect of the follow-up within the Bretton Woods institutions to the outcome of the Monterrey Conference. However, the United Nations has not been invited to participate in this joint project of the World Bank and IMF.

40. The findings of the 2004 Global Monitoring Report, entitled "Policies and Actions for Achieving the Millennium Development Goals and Related Outcomes", provided a sobering assessment of progress towards achieving the Millennium

Development Goals and meeting the Monterrey commitments. The 2005 report on the "Millennium Development Goals: From Consensus to Momentum" noted that progress towards the Millennium Development Goals had been slower and more uneven across regions than originally envisaged, with sub-Saharan Africa falling far short. The 2006 Global Monitoring Report on "Strengthening Mutual Accountability — aid, trade and governance" highlighted economic growth, better quality aid and trade reforms, as well as governance as essential elements to achieve the Millennium Development Goals. In 2007, the Global Monitoring Report focused on "Confronting the Challenges of Gender Equality and Fragile States".

41. In 2008 and 2009, the main author of the Global Monitoring Report, Zia Qureshi, Senior Adviser to the Chief Economist of the World Bank, presented the main findings of this joint World Bank/IMF flagship publication to the special high-level meeting of the Economic and Social Council with the Bretton Woods institutions, the World Trade Organization and UNCTAD. The Global Monitoring Report 2008 on the "Millennium Development Goals and the Environment — Agenda for Inclusive and Sustainable Development" called for urgent action on climate change. The 2009 report provided a development perspective on the global economic crisis by assessing its impact on developing countries and setting out priorities for policy response, both by the developing countries themselves and the international community, as well as the private sector.

Millennium Development Goal Gap Task Force

42. Goal 8 of the Millennium Development Goals is to develop a global partnership for development. The main purpose of the Millennium Development Goal Gap Task Force, established by the Secretary-General in 2007, is to improve the monitoring of goal 8 by providing a systematic accountability framework and by leveraging inter-agency coordination in delivering on the global commitments in the areas of aid, trade, debt relief and access to affordable essential medicines and new technologies. More than 20 United Nations agencies are represented in the Task Force, including the World Bank and IMF, as well as the Organization for Economic Cooperation and Development and the World Trade Organization. UNDP and the Department of Economic and Social Affairs act as lead agencies in coordinating the work of the Task Force (see http://www.un.org/esa/policy/mdggap/), which has resulted in the issuance of two reports. Senior staff of the World Bank and IMF contributed data critical to the analysis and were active in the presentations of the 2008 and 2009 reports.

43. In the process, the Task Force identified three types of gaps which could emerge in the delivery on goal 8. The first is the delivery gap, which is the shortfall between global commitments and their actual delivery. The second is the coverage gap, which is the shortfall between the actual delivery on commitments and a reasonable distribution of receipts across beneficiary countries. The third is labelled the needs gap, which measures the gap between the delivery and estimated needs of developing countries. The 2008 report[4] focused mainly on the delivery gap in the aforementioned areas of global partnership for development. The 2009 report[5]

[4] *Millennium Development Goal 8: Delivering on the Global Partnership for Achieving the Millennium Development Goals* (United Nations publication, Sales No. E.08.I.17).

[5] *Millennium Development Goal 8: Strengthening the Global Partnership for Development in a Time of Crisis* (United Nations publication, Sales No. E.09.I.8).

provided an update of the status of delivery on all those commitments, as well as a first attempt at measuring coverage gaps. Assessing the needs gap will be a main focus of the Millennium Development Goal Gap Task Force report in 2010. It is expected that the World Bank and IMF will continue to be actively engaged in this collaborative project in the coming years.

High-level Task Force on the Global Food Security Crisis

44. In April 2008, the United Nations System Chief Executives Board for Coordination established a High-level Task Force on the Global Food Security Crisis in response to the dramatic rise of global food prices and the crisis it triggered. Under the leadership of the Secretary-General, the Task Force brings together the heads of United Nations specialized agencies, funds and programmes, including the World Bank and IMF, as well as OECD and the World Trade Organization. The Managing Director of the World Bank, Ms. Okonjo-Iweala, and the Deputy Managing Director of IMF, Mr. Portugal, have participated actively in the work of the Task Force. In July 2008, the Task Force produced a Comprehensive Framework for Action that sets out the joint position of its members, in order to create a prioritized plan of action and coordinate its implementation. In December 2008, the Task Force agreed on its programme of work for 2009, focusing on support to effective action in affected countries, advocacy for funds for both urgent action and long-term investment, inspiring a broad engagement by multiple stakeholders and improving accountability of the international system.

Millennium Development Goal Africa Steering Group

45. The Millennium Development Goal Africa Steering Group, established in September 2007, brought together the leaders of multilateral development organizations to identify the practical steps needed to achieve the Millennium Development Goals and other internationally agreed development goals in Africa. The Steering Group is chaired by the Secretary-General and comprises the executive heads of the African Development Bank, the African Union Commission, the European Commission, IMF, the Islamic Development Bank, OECD and the World Bank. In June 2008, the Steering Group issued a report (available from http://www.mdgafrica.org), which identified concrete proposals for action to achieve the Millennium Development Goals in Africa, covering such key sectors as agriculture, nutrition, education, health, infrastructure and statistics. It also provided a comprehensive assessment of external financing needed to achieve the Millennium Development Goals in Africa. It had been estimated that the overall external financing for the region needed to rise to $72 billion per year. That objective can still be met, first, by fully implementing the pledges made by the Group of Eight countries at their 2005 summit in Gleneagles, Scotland, to double official development assistance to Africa and, second, with additional support from non-OECD/Development Assistance Committee (DAC) donors, private foundations and innovative public-private partnerships. Along with other multilateral development agencies, the World Bank has been tasked to coordinate the scaling-up opportunities in Africa in the following areas: education; infrastructure and trade facilitation; statistics; and country-level work. IMF and OECD/DAC co-chair a technical thematic group on aid predictability.

Statistics

46. Considerable collaboration and leveraging of expertise exists between the United Nations Statistics Division and statistical departments of the Bretton Woods institutions. Both the World Bank and IMF attend sessions of the Statistical Commission and the Coordination Committee on Statistical Activities to coordinate their programmes of work regarding the development and maintenance of statistical standards and the strengthening of international databases and the national statistical system at the country level. At the operational level, the Bretton Woods institutions work with the United Nations in a large variety of expert groups covering economic, environmental and social statistics. Most notable is the collaboration in the Inter-agency Task Force on the Millennium Development Goals and the Inter-secretariat Working Group on National Accounts. In response to the current financial and economic crisis, the United Nations and the Bretton Woods institutions have intensified their collaboration in developing a joint monitoring system through the Inter-Agency Group on Economic and Financial Statistics, which is chaired by IMF.

VI. Responding to the challenges of the world financial and economic crisis

47. The current financial and economic crisis presents major challenges for the development process and related support activities of the United Nations system. At the same time, the concerted efforts of the international community to address those challenges provide opportunities for advancing international cooperation in many areas, including collaboration between the United Nations and the Bretton Woods institutions, at both the intergovernmental and operational levels, especially in finding long-term solutions.

Outcome of the Conference on the World Financial and Economic Crisis and Its Impact on Development

48. By its resolution 63/303, the General Assembly endorsed the Outcome of the Conference on the World Financial and Economic Crisis and Its Impact on Development, held in New York from 24 to 30 June 2009 (resolution 63/303, annex). The document sets forth a global consensus on the causes, impacts and responses to the current crisis; prioritizes the prompt, decisive and coordinated actions that are required; and defines a clear role for the United Nations. From this perspective, the Conference represents a milestone in an ongoing and concerted engagement by all States Members of the United Nations to address the causes of the crisis, mitigate its impact on development and devise mechanisms to help prevent similar crises in the future.

49. In particular, the outcome document calls for enhancing collaboration and cooperation between the United Nations and the Bretton Woods institutions in addressing the challenges of the current crisis. In outlining lines of action to contain the effects of the crisis and improve future global resilience, the document states that closer cooperation and strong partnership between the United Nations development system, regional development banks and the World Bank and their scaled-up efforts can effectively address the needs of those hardest hit and ensure that their plight is not ignored. To that end, the outcome document calls for the mobilization of additional resources for social protection, food security and human

development through all sources of development finance to strengthen the foundation for early and sustained economic and social recovery in developing countries, in particular the least developed countries and calls for such additional resources to be channelled through existing institutions, such as the United Nations development system, the World Bank-proposed vulnerability fund and framework and multilateral development banks, where appropriate. The document recommended that those funds, including those for the United Nations development system, be provided on a predictable basis (see para. 22).

50. In a separate section, on "Reform of the international financial and economic system and architecture", the document acknowledges the global consensus on the need for continued reform and modernization of the international financial institutions and highlights measures to reform the governance of the Bretton Woods institutions. In addition, it recognizes that the United Nations and the international financial institutions have complementary mandates that make the coordination of their actions crucial. Continued and increasing cooperation, coordination and coherence and exchanges between the United Nations and the international financial institutions were encouraged. The document acknowledged that the Conference represented an important step to ensure increased cooperation (see para. 50).

51. The section on "The way forward" provides for combining short-term responses to the immediate impact of the crisis, in particular on the most vulnerable countries, with medium- and long-term responses that necessarily involve the pursuit of development and the review of the global economic system. In this context, it calls for: (a) strengthening the capacity, effectiveness and efficiency of the United Nations and enhancing the coherence and coordination of policies and actions between the United Nations, international financial institutions and relevant regional organizations; (b) further developing the United Nations development system's comprehensive crisis response in support of national development strategies through a coordinated approach by United Nations funds and programmes, specialized agencies and the international financial institutions at the country level; and (c) exploring ways to strengthen international cooperation in the area of migration and development (see para. 52).

52. In a new mandate, the Conference requested the Economic and Social Council: (a) to consider the promotion and enhancement of a coordinated response of the United Nations development system and specialized agencies in the follow-up to and implementation of the outcome document, in order to advance consistency and coherence in support of consensus-building around policies related to the current crisis and its impact on development; and (b) to review the implementation of the agreements between the United Nations and the Bretton Woods institutions, in collaboration with those institutions, focusing in particular on enhancing collaboration and cooperation between them, as well as on the opportunities for contributing to advancing their respective mandates (see para. 56).

Coordinated response of the United Nations system

53. The promotion and enhancement of a coordinated response of the United Nations development system and specialized agencies, including the Bretton Woods institutions, in follow-up to and implementation of the outcome of the Conference is the subject of a separate report submitted to the Economic and Social Council (see E/2009/114). That report describes the process of elaboration, establishment and

operationalization of the common response of the United Nations system to the current financial and economic crisis, led by CEB. An issues paper prepared by CEB prepared in the run-up to the Conference established nine joint crisis initiatives that serve as a strategic framework for the United Nations system's operational response in support of development strategies addressing vulnerabilities caused or exacerbated by the crisis. Each of those initiatives is led by one or more CEB member organizations possessing the relevant competence, with the voluntary participation of others who contribute from their various perspectives. A major challenge is to bring together the United Nations system's operational and funding capacities in a coherent implementation approach.

54. In this context, UNDP and the World Bank are the lead agencies of joint crisis initiative 1 on additional financing for the most vulnerable, coordinating the work of all agencies with a large field presence. This initiative is based on the commitment by the United Nations country teams and the World Bank to implement a comprehensive country-level crisis response mechanism, including the World Bank Vulnerability Fund Facility. Given that the effects of the crisis are on the ground and vary according to country situations, funding solutions must be tailored to the country's specific needs and development priorities. Likewise, the Deputy Secretary-General, the Department of Economic and Social Affairs and IMF coordinate all participating agencies in joint crisis initiative 9 on monitoring and analysis. This initiative is based on three interrelated pillars: (a) Global Impact and Vulnerability Alert System (coordinated by the Deputy Secretary-General); (b) the Integrated Monitoring and Analytical System for Crisis Response (developed by the Department of Economic and Social Affairs); and (c) monitoring economic and financial policies (IMF surveillance). Apart from resolving the current crisis, this initiative is intended to provide a tool for preventing the recurrence of such crises through monitoring and analysing systemic risks, as well as a potential platform for global economic policy coordination. In addition, the Bretton Woods institutions participate in almost all of the other initiatives, including those on food security, trade, the green economy, the global jobs pact and the social protection floor.

VII. Conclusions

55. The agreements between the United Nations and the Bretton Woods institutions have provided a flexible basis that allows for potentially deep and effective cooperation among them. In the economic and social fields, the collaboration between the United Nations and the Bretton Woods institutions has strengthened considerably during the past decade, particularly through the financing for development process. However, many innovative modalities of cooperation had preceded the International Conference on Financing for Development. For instance, the Bretton Woods institutions have long participated in various inter-agency structures of CEB and contributed to the work of the Economic and Social Council and its functional commissions. Yet, intergovernmental and inter-secretariat collaboration between the United Nations and the Bretton Woods institutions reached an unprecedented level during the substantive preparation of the International Conference. Those modalities were carried over to the Conference, which, in adopting the Monterrey Consensus, called for continued interactions of the United Nations, the World Bank and IMF to address issues of coherence, coordination and cooperation, as a follow-up to the Conference, through the biennial

High-level Dialogue of the General Assembly on Financing for Development and the special high-level meeting of the Economic and Social Council with the Bretton Woods institutions, the World Trade Organization and UNCTAD. Likewise, representatives of the United Nations are invited to participate as observers in the annual and spring meetings of the Bretton Woods institutions.

56. In the post-Monterrey period, both parties enhanced their cooperation in monitoring the fulfilment of international development commitments, including the Millennium Development Goals, as well as in addressing new challenges and emerging issues. Many notable initiatives have provided new platforms for fruitful collaboration at the operational level, including the Millennium Development Goal Gap Task Force, the High-Level Task Force on the Global Food Security Crisis and the Millennium Development Goal Africa Steering Group. At the intergovernmental level, the Doha Review Conference reaffirmed the special role of the Bretton Woods institutions in the financing for development process and called for a strengthened and more effective and inclusive process to carry out the financing for development follow-up. The Conference on the World Financial and Economic Crisis and Its Impact on Development also called for enhancing collaboration and cooperation between the United Nations and the Bretton Woods institutions in addressing the challenges posed by the crisis through concerted response efforts.

57. Consultations within the United Nations system highlighted the following points:

(a) There is scope to deepen and enhance collaboration between the United Nations and the Bretton Woods institutions within the existing relationship agreements. Specialization and division of labour among them, with due regard to their respective mandates and governance structures, will generate overall efficiency. However, effective inter-agency cooperation remains essential because development challenges are multifaceted and interlinked and often require solutions that cross institutional borders;

(b) The global economic and financial crisis emphasizes the urgent need and opens new opportunities for effective collaboration between the United Nations and the Bretton Woods institutions. A coordinated and coherent crisis response should focus on the implementation of the nine joint crisis initiatives formulated by CEB, in which the Bretton Woods institutions have a prominent role to play as lead or supporting agencies;

(c) At the field level, coordination between the United Nations country teams and the Bretton Woods institutions is essential and should be strengthened through the United Nations Development Group, in particular on programming issues through its working groups;

(d) Joint initiatives between United Nations entities and the Bretton Woods institutions (such as the Stolen Asset Recovery initiative launched by the World Bank and the United Nations Office on Drugs and Crime or the United Nations-World Bank Partnership Framework for Crisis and Post-Crisis Situations) exemplify supplementary arrangements to implement specific development objectives.